## REMARKS

As a preliminary matter, Applicants appreciate the Examiner's allowance of claims 4-5, and the allowability of claim 3 is rewritten into independent form.

Claims 1-2 and 6 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Kim et al. (U.S. Patent No. 7,205,970) in view of Kimura (U.S. Publication No. 2002/0118153A1). In response, Applicants traverse the rejection because the cited references fail to disclose or suggest determining an area ratio of the higher-luminance pixel and the lower-luminance pixel to obtain a luminance.

Kim is directed to a liquid crystal display for wide viewing angle. As acknowledged by the Examiner on page 2 of the outstanding Office Action, under item no. 1, Kim fails to disclose an area ratio of the higher-luminance pixel and the lower-luminance pixel. Instead, the Examiner asserts Kimura teaches this feature.

Kimura is directed to a display device, driving method, electro-optical device and electronic apparatus. In the outstanding Action on page 2, last paragraph, the Examiner asserts Kimura teaches an area ratio of a higher-luminance pixel and a lower-luminance in paragraphs [0002, 0017, and 0022]. Applicants respectfully disagree. Paragraph [0002] of Kimura merely refers to employment of different grayscale systems. One of these methods is an area-ratio grayscale method for performing control of the display states of sub-pixels between an ON state and an OFF state. Paragraph [0017] of Kimura teaches that in an electro-optical device, the luminance of each of the electro-optical elements has two values including a lower luminance level and a higher luminance level. Paragraph [0019] further

teaches that in the electro-optical device, a grayscale level may be set as a function of the ratio of a total area occupied by all of the electro-optical elements contained in one of the pixels to a total area occupied by the electro-optical elements that are set at the higher luminance level. However, none of these cited portions of Kimura discloses or suggests determining an area ratio of the higher-luminance pixel and the lower-luminance pixel so that a luminance can be obtained substantially equal to a desired luminance based on the luminance data, as recited in claim 1. Accordingly, any combination of Kim and Kimura fail to disclose or suggest this feature.

In contrast, the present invention determines the luminance of a higherluminance pixel and luminance of a lower-luminance pixel, and an area ratio of the higherluminance pixel and the lower-luminance pixel. (See, for example, FIGs. 4B, 5, 8, 9, and the related description in Applicants' Specification). Since Kim fails to disclose or suggest determination of an area ratio between the higher-luminance pixel and the lower luminance pixel, withdrawal of the \$102(e) rejection of claims 1-6 is respectfully requested.

Claim 7 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Kim in view of Koma. Applicants respectfully traverse the rejection for the reasons recited above with respect to the rejection of independent claim 1.

Since claim 7 ultimately depends upon claim 1, it necessarily includes all of the features of its associated independent claim plus other additional features. Thus, Applicants submit that the §103 rejection of claim 7 has also been overcome for the same reasons mentioned above to overcome the rejection of independent claim 1, and also because Koma

fails to overcome the deficiencies of Kim. Koma is merely cited in the outstanding Action

for teaching liquid crystal having a negative dielectric anisotropy and that is in a vertical

alignment under no application of voltage. Since Koma fails to disclose or suggest an area

ratio, Applicants respectfully request that the §103 rejection of claim 7 also be withdrawn.

For all of the foregoing reasons, Applicants submit that this Application is in

condition for allowance, which is respectfully requested. The Examiner is invited to contact

the undersigned attorney if an interview would expedite prosecution.

Respectfully submitted,

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